ENCLOSURE

WESTERN REGIONAL NAREEE STAKEHOLDER MEETING
July 7-8, 2003
Salinas, California

Producing and Providing for Consumers in our Global Agricultural Economy

Members of the National Research, Extension, Economics, and Economics Advisory Board met in Salinas, California, to visit vegetable farming and processing; listen to stakeholders in the fruit, vegetable, and aquaculture industries; and to hear from organizations representing these industries, academia, nutrition and consumer service organizations, and rural community interests. A visit was also made to the Agricultural Research Service laboratory in Salinas to hear about research on organic farming, pest resistance on lettuce, and experimental work on value-added fruit and vegetable ready-to-eat products.

The stakeholder session included six panels:

- **Producers and Processors**—fruits and vegetables, almonds, and winegrapes
- **Associations and Organizations**—United Fresh Fruit & Vegetable Association, California (CA) Aquaculture Association, CA Farm Bureau Federation, and CA Association of Nurseries & Garden Centers
- **Nutrition Issues**—WIC Program, University of California-Berkeley Center for Weight and Health, Consumer Choices, Inc., and the Food and Nutrition Program at San Jose State University
- **Academia**—University of California Programs in Agriculture and Natural Resources, California Polytechnic State University College of Agriculture, Brigham Young University's College of Biology & Agriculture, and Hartnell Community College's Instruction for Agriculture & Occupational Education
- **Retailers**—Markon Cooperative, Inc., and Save Mart Supermarkets' Produce and Floral
- **Consumer &Community Interests**—University of California-Davis Center for Consumer Research, *Seafood Watch* program at Monterey Bay Aquarium, and University of California Statewide Small Farm Program

Overall Messages from the Stakeholders

► California and Western Region vegetable, fruit, nut, and winegrape producers do not receive U.S. Government subsidies. They appreciate a free market system but wish for a more level playing field, especially in terms of international trade.

► Industries work in a collaborative mode through associations, in some cases supporting their own research and education programs.

►These fruit and vegetable industries are organized as vertical integrated systems—production, processing, marketing, distribution, and in some cases, retailing.

►All food producers/processors/retailers acknowledge they are consumer driven. "Marketplace survival is understanding the consumer," and they invest in this effort.

►There is a real need for research on understanding consumer motivation/behavior as a basis for effective educational as well as marketing messages.

►Country of Origin labeling is troubling to these producers, processors, retailers. Many processors and retailers say that it is difficult to deal with stickers on fruits, especially in food service and packaged ready-to-eat foods. Only the aquaculture representative favored "C of O" labeling to designate wild from farm-raised fish.

►Biosecurity (Homeland Security) regulations are burdensome. Regulations must provide security for the public but must also recognize the needs of industry in meeting biosecurity requirements.

►Stakeholders expressed a great overall need for increases in federal research funding for obesity prevention; consumer behavior, and human nutrition and health; insect pests and invasive species; plant and animal diseases; weed problems; and water availability.

►Many speakers spoke highly of the value of extension educators. With tight state and local budgets, they fear the loss of extension, which would diminish the ability to obtain timely information on timely topics. Others spoke of the need for a closer working relationship between extension and research.

►Higher education institutions are responding to research, education, and workforce needs in times of very stringent budgets, adjusting their educational approaches accordingly.

• Research institutions scan society to determine pressing issues which will guide research such as population numbers and ethnic mix; natural resource availability; environmental impacts; development and use of new technologies; food security, safety and health; and control of exotic species. They approach food and agriculture as an integrated system.

• Agricultural colleges are divesting themselves of pilot farms and processing facilities as they are too costly to operate. As a result, students gain practical experience in collaboration with agricultural industries rather than in on-campus laboratories.

• Community colleges offer 2-year certification programs to prepare graduates for middle management and technical positions in industry. They also collaborate with industry to develop curricula and provide practical experience. Hartnell Community College has benefited from grants from the USDA Higher Education Program Division to build a successful program.

►Obesity is an overwhelming nutritional issue. It needs to be a high research priority followed by effective goal-oriented educational programs. Success in reducing obesity in the population will require government and private sector collaboration.

►Organic food production and marketing are growing rapidly, with sales increasing about 20% each year and projected to reach $20 billion by 2005. Organic foods are purchased by 43% of all U.S. households, with market research showing "health" was viewed by consumers as one of the top motivators. Tension between organic and genetically enhanced production methods is often counterproductive and confusing to consumers. Leadership is needed to mitigate the conflicts and to provide science-based information on nutritional quality, food safety, environmental impacts and costs of various modes of agricultural production.

►The changes in modes of agricultural production and marketing have distanced food consumers from rural America. The gap is being partially bridged by farmers markets and agritourism, with benefits to local communities.

► Public and private partnerships were noted by speakers in each of the six panel sessions as being crucial for increasing U.S. agricultural competitiveness. Some of the partnerships and collaborations described showed linkages among ARS researchers, CSREES Cooperative Extension specialists, researchers and educators at colleges and universities (e.g., community, state, private, and public), industry, organic farmers, conventional producers, farmers markets, and community organizations.

Stakeholder Requests for USDA Research, Education, and Policy

There is a real need for research to *understand consumer motivation and behavior* as a basis for effective educational programs. These include the need to:

- share information about current issues that impact health and safety
- increase knowledge of how to motivate people to follow dietary guidelines for a healthy lifestyle
- enhance consumer ability to gather and evaluate information for more informed choices

There must be leadership for an effective obesity reduction campaign.

Re-evaluate the Food Guide Pyramid.

The National Organic Program, a marketing program of the Agricultural Marketing Service, USDA, describes how organic food is produced. What is needed are measurable properties such as nutritional quality, safety and cost of organically grown produce.

Provide more effective educational programs based on scientific evidence of the value of fresh fruits and vegetables in the American diet. Expand the 4 pilot programs of fruit and vegetable snacks in schools to all 50 states.

Increase positive media awareness about food and agriculture, including research breakthroughs and public benefits that are based on sound science.

A better science base and education are needed regarding GMO's.

Increase research on invasive species—prevention is better than clean-up.

Increase the investment in research for the horticulture and nursery industries.

Increase research in production efficiencies to compete effectively in the world marketplace.

Research needs in aquaculture include energy conversion, water and waste management, environmental impacts, and fish diseases.

Preserve and enhance extension, a valued educational asset.

Strengthen extension support to the small and minority farmers regarding organic and integrated production opportunities.

More effectively link research and extension operations to help assure "relevant research."

Support fair trade policy in world markets. Evaluate regulations, biosecurity requirements, phytosanitary issues, pesticide limitations, country of origin labeling, etc., to determine whether U.S. producers and processors are being unduly burdened in the global marketplace.

Establish GMO thresholds as an adjunct to world trade.

In times of state and local budget shortfalls, avoid unfunded mandates for educational and extension programs (w/ specific reference to WIC).

Some Quotations from the Speakers

"Consumers have the ultimate power. Our entire food system must listen and appropriately respond to them." (Douglas Mosebar, First Vice President of the California Farm Bureau Federation)

"USDA needs to put as much attention to its public health and nutrition mission as its support of the U.S. agriculture mission." (Jeffery Oberman, Vice President, Trade Relations, United Fresh Fruit and Vegetable Association, Western Regional Office, Salinas, CA)

"It is manifestly not true that consumers don't know where their food comes from. Consumers, in fact, know only too well where their food comes from. It comes from their favorite supermarket or food store." (Desmond Jolly, Director of Statewide University of California Small Farm Program)

"It is time to revise the Food Pyramid." (Ned Ryan, Chairman of the Board, California Almond Board)

"Increasing knowledge of human behavior is a priority." (Christine Bruhn, Director, Center for Consumer Research, University of California-Davis)

"We are USDA—We walk our talk." (Christine McNutt, President, Consumer Choices, Inc. regarding a proposed campaign led by USDA to overcome obesity in America)